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2009 OCT -1
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DOCKET CONTROL

October 1, 2009

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

RE: IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY
FOR APPROVAL OF UPDATED GREEN POWER RATE SCHEDULES GPS-1 AND GPS-2
AND A NEW GREEN POWER RATE SCHEDULE GPS-3
DECISION NO. 71276, DOCKET NO. E-01345A-08-0614

Pursuant to Decision 71276:

"Arizona Public Service Company to file tariff pages for the approved schedules GPS-1, GPS-2, and GPS-3 consistent with the Decision in this matter within 15 days from the effective date of the Decision."

Enclosed is Arizona Public Service Company's ("APS") redlined and non-redlined versions of the GPS-1, GPS-2, and GPS-3 rate schedules. Additionally, enclosed please find redline and non-redline versions of the Environmental Improvement Surcharge (EIS) and Renewable Energy Surcharge (RES) adjustment schedules that have been modified to reflect the adoption of GPS-3.

If you have any questions or concerns, please call Mr. Charles Miessner at 602-250-3081.

Sincerely,

Leland R. Snook

Attachment

LRS/dst

Cc: Steve Olea
Brian Bozzo
Terri Ford
Barbara Keene

Arizona Corporation Commission

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DOCUMENTED BY

NON-REDLINE



ADJUSTMENT SCHEDULE GPS-1 GREEN POWER BLOCK SCHEDULE

APPLICATION

Adjustment Schedule GPS-1 ("GPS-1") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-1, up to 100% of the customer's total monthly kWh supplied by the Company.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS3.

The customer shall subscribe for a specific number of blocks of electricity generated from renewable resources. Each block shall equal 100 kWh per month. The monthly charge is based upon the number of blocks subscribed for by the customer.

The Company shall limit the participation in GPS-1 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-1 service if the charges increase during the one year or longer commitment period.

GPS-1 may not be used in conjunction with rate schedules GPS-2, Solar-2, Solar-3, or SP-1.

SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 per month for each 100 kWh block of Green Power. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh.



ADJUSTMENT SCHEDULE GPS-2 GREEN POWER PERCENT SCHEDULE

APPLICATION

Adjustment Schedule GPS-2 ("GPS-2") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-2, up to 100% of the customer's total monthly kWh consumption.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer Green Power through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the kWh sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS-3. The Company shall limit the participation in GPS-2 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-2 service if the charges increase during the one year or longer commitment period.

GPS-2 may not be used in conjunction with rate schedules GPS-1, Solar-2, Solar-3, or SP-1.

SERVICE CHARGES

Four options are available. The charges hereunder represent charges to be added to energy charges (\$/kWh basis) under the customer's applicable rate schedule and applied to the customer's total monthly kWh (including non-Green Power kWh, if any) supplied by the Company. The charges are based on the Green Power Premium rate of \$0.004 per kWh of Green Power.

- A. Green Power shall account for 100.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.004
- B. Green Power shall account for 50.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.002
- C. Green Power shall account for 35.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.0014
- D. Green Power shall account for 10.0% of the total monthly kWh supplied by the Company. This option is not available to residential customers.
Additional Charge per kWh: \$0.0004



ADJUSTMENT SCHEDULE GPS-3 GREEN POWER BLOCK SCHEDULE FOR SPECIAL EVENTS

APPLICATION

Adjustment Schedule GPS-3 ("GPS-3") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their Green Event. A Green Event is temporary in nature and includes, but is not limited to, concerts, sporting events, festivals, fairs, which can be held over single or contiguous multiple days at single or multiple sites. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-3, up to 100% of the customer's total monthly kWh supplied by the Company. For purposes of this adjustment, the total Green Power kWh will apply in the month they are purchased.

Electricity from renewable sources shall be referred to herein as "Green Power." Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

The Company shall limit the participation in GPS-3 based on the Green Power available to provide service under this rate schedule.

The Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2 and GPS-3.

Each block shall equal 100 kWh subscribed for by the customer.

Charges under this schedule will be adjusted annually with Commission approval.

Because rate schedule GPS-3 is for a temporary event, Section 3.3 of APS' Schedule 1 shall not apply.

SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 for each 100 kWh block of Green Power for the duration of the special event. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh. Minimum purchase shall be \$500.00 per transaction.



ADJUSTMENT SCHEDULE EIS ENVIRONMENTAL IMPROVEMENT SURCHARGE

APPLICATION

The Environmental Improvement Surcharge ("EIS") shall apply to all retail Standard Offer service, excluding kWh served in accordance with rate schedules, SP-1 (Solar Partners), Solar-2, and Green Power Schedules GPS-1, GPS-2 and GPS-3. All provisions of the customer's current applicable rate schedule shall apply in addition to charges under this Adjustment Schedule EIS.

The EIS was approved by the Arizona Corporation Commission ("ACC") in Decision No. 69663.

The EIS recovers the cost associated with investment and expenses for environmental improvements at APS' generation facilities that the ACC has approved for recovery. Approved environmental improvements include those implemented on or after January 1, 2004, for which costs have not been fully recovered under current approved rates, ongoing environmental improvement projects and environmental improvement projects designed to comply with prospective environmental standards required by federal, state, tribal, or local laws or regulations.

RATE

The charge shall be calculated at the following rate:

EIS

All kWh

\$0.00016 per kWh



ADJUSTMENT SCHEDULE RES RENEWABLE ENERGY STANDARD

APPLICATION

The Renewable Energy Standard ("RES") Adjustor shall apply to all retail Standard Offer or Direct Access service, excluding kWhs served in accordance with rate schedules SP-1 (Solar Partners), Solar-2, Solar-3, and Adjustment Schedules GPS-1, GPS-2, and GPS-3. All provisions of the customer's current applicable rate schedule will apply in addition to the RES Adjustor. From time to time, the RES program spending requirements will be evaluated and if necessary the charge and/or caps may be modified by the Commission. Any new charges/caps will be applied in billing cycle 1 beginning in the month following Commission approval in A.C.C. Decision No. 70654 and will not be prorated. Details regarding the administration of this Adjustor can be found in A.A.C. R14-2-1808. The RES Adjustor and the Demand Side Management Adjustor may be combined on the customer's bill and shown on the "Environmental Benefits Surcharge" line.

RATES

The bill shall be calculated at the following rates:

All kWh	\$0.007937	per kWh
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SURCHARGE LIMITS

The monthly total of the Renewable Energy Standard Adjustment Charge shall not exceed the following limits:

Residential Customers	\$3.17	per service per month
Non-residential Customers	\$117.93	per service per month
Non-residential Customers with demand of 3,000 kW or higher per month for three consecutive months	\$353.78	per service per month

REDLINE



ADJUSTMENT SCHEDULE GPS-1 GREEN POWER BLOCK SCHEDULE

APPLICATION

Adjustment Schedule GPS-1 ("GPS-1") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule ~~EPS-1~~ RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-1, up to 100% of the customer's total monthly kWh supplied by the Company.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors)~~a renewable resource including, but not limited to, solar, biomass, biogas, wind, geothermal, or small hydroelectric.~~
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors)~~including, but not limited to, solar, biomass, wind, geothermal, or small hydroelectric.~~

~~In any event, the renewable energy that is provided under this adjustment schedule is limited to those resources eligible pursuant to A.A.C. R14-2-1618 or other relevant rules approved by the Commission, as may be modified or updated from time to time.~~

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, ~~and~~ GPS-2, and GPS3.

The customer shall subscribe for a specific number of blocks of electricity generated from renewable resources. Each block shall equal 100 kWh per month. The monthly charge is based upon the number of blocks subscribed for by the customer. ~~The Company may assign limits to the number of kWh blocks sold per customer.~~

The Company shall limit the participation in GPS-1 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-1 service if the charges increase during the one year or longer commitment period.

~~A customer may only subscribe to one green power or solar rate option. GPS-1 may not be used in conjunction with rate schedules GPS-2, Solar-2, Solar-3, or SP-1.~~

SERVICE CHARGES

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2007

A.C.C. No. 56845714
Canceling A.C.C. No. 5681
Adjustment Schedule GPS-1
Original Revision 1
Effective: ~~July 1, 2007~~ October 1, 2009



ADJUSTMENT SCHEDULE GPS-1 GREEN POWER BLOCK SCHEDULE

Service under this rate schedule shall be billed the Green Power Block rate of ~~\$1.000.40~~ per month for each 100 kWh block of Green Power. This charge is based on the Green Power Premium rate of ~~\$0.0100.004~~ per kWh of Green Power times 100 kWh.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2007

A.C.C. No. ~~5681~~5714
Canceling A.C.C. No. 5681
Adjustment Schedule GPS-1
Original Revision 1
Effective: ~~July 1, 2007~~ October 1, 2009



ADJUSTMENT SCHEDULE GPS-2 GREEN POWER PERCENT SCHEDULE

APPLICATION

Adjustment Schedule GPS-2 ("GPS-2") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule ~~EPS-1~~ RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-2, up to 100% of the customer's total monthly kWh consumption.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors) ~~a renewable source including, but not limited to, solar, biomass, biogas, wind, geothermal, or small hydroelectric.~~
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors) ~~including, but not limited to, solar, biomass, wind, geothermal, or small hydroelectric.~~

~~In any event, the renewable energy that is provided under this rate schedule is limited to those resources eligible pursuant to A.A.C. R14-2-1618 or other relevant rules approved by the Commission, as may be modified or updated from time to time.~~

TYPE OF SERVICE

The Company will offer Green Power through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the kWh sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, and GPS-2, and GPS-3.

The Company shall limit the participation in GPS-2 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-2 service if the charges increase during the one year or longer commitment period.

~~A customer may only subscribe to one green power or solar rate option. GPS-2 may not be used in conjunction with rate schedules GPS-1, Solar-2, Solar-3, or SP-1.~~

SERVICE CHARGES

Four options are available. The charges hereunder represent charges to be added to energy charges (\$/kWh basis) under the customer's applicable rate schedule and applied to the customer's total monthly kWh (including non-Green Power kWh, if any) supplied by the Company. The charges are based on the Green Power Premium rate of \$0.004 per kWh of Green Power.

- A. Green Power shall account for 100.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: ~~\$0.01~~ \$0.004
- B. Green Power shall account for 50.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: ~~\$0.005~~ \$0.002



**ADJUSTMENT SCHEDULE GPS-2
GREEN POWER PERCENT SCHEDULE**

- C. Green Power shall account for 35.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: ~~\$0.0035~~\$0.0014
- D. Green Power shall account for 10.0% of the total monthly kWh supplied by the Company. This option is not available to residential customers.
Additional Charge per kWh: ~~\$0.0010~~\$0.0004



**ADJUSTMENT SCHEDULE GPS-3
GREEN POWER BLOCK SCHEDULE
FOR SPECIAL EVENTS**

APPLICATION

Adjustment Schedule GPS-3 ("GPS-3") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their Green Event. A Green Event is temporary in nature and includes, but is not limited to, concerts, sporting events, festivals, fairs, which can be held over single or contiguous multiple days at single or multiple sites. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-3, up to 100% of the customer's total monthly kWh supplied by the Company. For purposes of this adjustment, the total Green Power kWh will apply in the month they are purchased.

Electricity from renewable sources shall be referred to herein as "Green Power." Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

The Company shall limit the participation in GPS-3 based on the Green Power available to provide service under this rate schedule.

The Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2 and GPS-3.

Each block shall equal 100 kWh subscribed for by the customer.

Charges under this schedule will be adjusted annually with Commission approval.

Because rate schedule GPS-3 is for a temporary event, Section 3.3 of APS' Schedule 1 shall not apply.

SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 for each 100 kWh block of Green Power for the duration of the special event. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh. Minimum purchase shall be \$500.00 per transaction.



ADJUSTMENT SCHEDULE EIS ENVIRONMENTAL IMPROVEMENT SURCHARGE

APPLICATION

The Environmental Improvement Surcharge ("EIS") shall apply to all retail Standard Offer service, excluding kWh served in accordance with rate schedules, SP-1 (Solar Partners), Solar-2, and Green Power Schedules GPS-1, GPS-2 and GPS-3. -All provisions of the customer's current applicable rate schedule shall apply in addition to charges under this Adjustment Schedule EIS.

The EIS was approved by the Arizona Corporation Commission ("ACC") in Decision No. 69663.

The EIS recovers the cost associated with investment and expenses for environmental improvements at APS' generation facilities that the ACC has approved for recovery. Approved environmental improvements include those implemented on or after January 1, 2004, for which costs have not been fully recovered under current approved rates, ongoing environmental improvement projects and environmental improvement projects designed to comply with prospective environmental standards required by federal, state, tribal, or local laws or regulations.

RATE

The charge shall be calculated at the following rate:

EIS

All kWh

\$0.00016 per kWh



ADJUSTMENT SCHEDULE RES RENEWABLE ENERGY STANDARD

APPLICATION

The Renewable Energy Standard ("RES") Adjustor shall apply to all retail Standard Offer or Direct Access service, excluding kWhs served in accordance with rate schedules SP-1 (Solar Partners), Solar-2, Solar-3, and Adjustment Schedules GPS-1, ~~and GPS-2, and GPS-3~~. All provisions of the customer's current applicable rate schedule will apply in addition to the RES Adjustor. From time to time, the RES program spending requirements will be evaluated and if necessary the charge and/or caps may be modified by the Commission. Any new charges/caps will be applied in billing cycle 1 beginning in the month following Commission approval in A.C.C. Decision No. 70654 and will not be prorated. Details regarding the administration of this Adjustor can be found in A.A.C. R14-2-1808. The RES Adjustor and the Demand Side Management Adjustor may be combined on the customer's bill and shown on the "Environmental Benefits Surcharge" line.

RATES

The bill shall be calculated at the following rates:

All kWh	\$0.007937	per kWh
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SURCHARGE LIMITS

The monthly total of the Renewable Energy Standard Adjustment Charge shall not exceed the following limits:

Residential Customers	\$3.17	per service per month
Non-residential Customers	\$117.93	per service per month
Non-residential Customers with demand of 3,000 kW or higher per month for three consecutive months	\$353.78	per service per month